

**A RESOLUTION**  
**Establishment of Segregated Employer Contributions**  
**for Active and Retired Members**  
**State Health Benefit Plan for FY 2007**

**WHEREAS**, the Board of Community Health (the "Board") desires that the State Health Benefit Plan (the "SHBP") meet the financial reporting standards established by the Governmental Accounting Standards Board ("GASB");

**WHEREAS**, the GASB requires that the SHBP record liabilities for the cost of SHBP retirement-related benefits for both current and future retired members (i.e. "Other Post Employment Benefits" or "OPEB") beginning in Fiscal Year ("FY") 2007;

**WHEREAS**, the GASB requires a separate accounting for assets available for the eventual payoff of OPEB liabilities;

**WHEREAS**, the SHBP Healthcare Fund does not segregate the SHBP assets and liabilities between active and retired members;

**WHEREAS**, O.C.G.A. § 45-18-101 established the Georgia Retiree Health Benefit Fund (the "Fund") in order to provide a mechanism for the State of Georgia (the "State") to separately safeguard and monitor assets appropriated to address OPEB liability;


**WHEREAS**, per O.C.G.A. § 45-18-101(b), all employer contributions, contributions, appropriations, earnings, and reserves for the payment of obligations under this article shall be credited to the Fund.

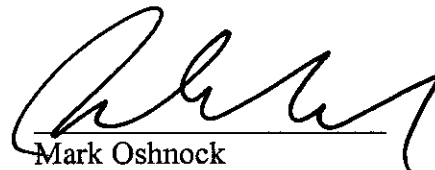
**WHEREAS**, the State Health Benefit Plan received revenue from participating employers during FY 2007 that is available to cover healthcare expenditures for both active and retired members.

**NOW THEREFORE LET IT BE ORDERED** by the Board that FY 2007 SHBP employer revenue, in an amount equivalent to the FY 2007 expenditures paid and incurred after retirement for SHPB members who retired during or before FY 2007 less the amount of FY 2007 retiree premium revenue, be deposited into the Fund and the remainder be retained by the SHBP Healthcare Fund to cover FY 2007 expenditures paid and incurred for members who remained active at the end of FY 2007.

**LET IT FURTHER BE ORDERED** by the Board that FY 2007 expenditures paid and incurred after retirement for SHBP members who retired during or before FY 2007 (less contribution from retiree premiums) be charged to the Fund.

Resolved this 14th day of June, 2007 in public session.

  
Richard Holmes  
Chair

  
Mark Oshnock  
Secretary